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D-R-A-F-T  
EIC-M-97  
14 August 1962

ECONOMIC INTELLIGENCE COMMITTEE

OK  
039

Minutes of Meeting Held in  
Room 4 F 31, CIA Headquarters Building

1000 hours, 14 August 1962

PRESENT :

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\*Dr. Otto E. Guthe, CIA, Chairman  
[REDACTED] CIA, Vice Chairman  
Morris H. Crawford, Department of State  
John W. Easton, Defense Intelligence Agency  
Baxter Wood, Department of the Army  
Harold H. Yokes, Department of the Navy  
Lt. Col. Robert A. Henderson, Department of the Air Force

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[REDACTED] National Security Agency  
Arthur J. Smith, Department of State  
Jerome Forrest, Agency for International Development  
Richard A. O. Schwartz, Department of Agriculture  
Ernest Rubin, Department of Commerce  
Dr. Edward R. Van Sant, Office of the Assistant Secretary of Defense,  
ISA

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[REDACTED] CIA  
[REDACTED], CIA, Executive Secretary

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The Vice Chairman introduced Col. Yokes, Department of the Navy,  
[REDACTED] NSA, and Mr. Schwartz, Department of Agriculture, who  
were representing their departments in the absence of the ~~main~~ members.

regular EIC  
regular rather than  
main? OK

\* Present for part of meeting.

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GROUP 1  
Excluded from automatic  
downgrading and  
declassification

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APPROVAL OF MINUTES:

The minutes of the EIC meeting of 3 July 1962 (EIC-M-96) were approved.

ANNOUNCEMENTS:

The Vice Chairman noted that the USIB had approved, as recommended by the Coordination Staff, retention in the USIB structure, of the Economic Intelligence Committee. *ok*

The Vice Chairman mentioned that the Procedures Regarding Overt Collection Abroad of Economic Intelligence (USIB-D-44.2/1, 24 July 1962), which had been brought to the attention of members at the last meeting, had been transmitted to EIC members for their information. Final USIB action is still pending as all the vote sheets have not yet been received by the USIB Secretariat.

The Vice Chairman stated that he had been exploring the possibilities of a coordinated study on Soviet trade as suggested by the Department of State representative at the last meeting. *and believed that such a study would be useful.* *He* ~~The Acting EIC Chairman declared~~ himself in favor of the study, *undertaking the study* and recommended that the EIC consider the feasibility of such a project next year shortly before the Soviet trade statistics are published.

The Vice Chairman noted that the Summary of the International Trade and Transport of Communist China, 1961 (EIC R16-S3) had been disseminated to the community in early August, and that the EIC had concurred in

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release of this report [REDACTED] by telephone interim action, on 24 July 1962.

The Vice Chairman announced that the EIC had approved the nomination of Arthur J. Smith, Department of State, as Chairman of the EIC Working Group on Underdeveloped Areas.

CONSIDERATION OF THE ANNUAL REPORT TO THE USIB OF THE ECONOMIC INTELLIGENCE COMMITTEE

The Chairman proposed several substantive changes to the Annual Report which were accepted by the members. It was pointed out that since the report contains no recommendations for USIB action, it would go before USIB for noting and <sup>probably</sup> would not be placed on an agenda ~~for discussion~~ <sup>this was</sup> unless requested by some <sup>USIB</sup> member.

The Chairman stated that at one of the future meetings, the EIC should review its subcommittee structure and reaffirm or question the need for each of the subcommittees. The Chairman pointed out that the Subcommittee on Requirements, in its Annual Report to the EIC, had recommended its discontinuance and that the present Standing Group on [REDACTED]

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[REDACTED] which is organizationally under the Subcommittee, <sup>could be</sup> ~~become~~ a Working Group of the EIC with direct responsibility to the EIC for its activities, <sup>in case the Subcommittee were discontinued</sup>

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CONSIDERATION OF EIC R14-S13, "SINO-SOVIET BLOC ECONOMIC  
ACTIVITIES IN UNDERDEVELOPED AREAS, 1 JANUARY - 30 JUNE 1962."

The EIC reviewed the report of the Working Group, and a number of modifications and changes were accepted. <sup>Chairman and</sup> The Vice Chairman commended the members of the Working Group for producing an excellent report.

*The report was then approved by the  
Committee for issuance.*

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Executive Secretary

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